UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 05-44481

- -x

In the Matter of:

DELPHI CORPORATION,

Debtor.

- -x

U.S. Bankruptcy Court

One Bowling Green

New York, New York

October 24, 2008

2:02 p.m.

B E F O R E:

HON. ROBERT D. DRAIN

U.S. BANKRUPTCY JUDGE

DEBTORS' Objection to Bradford Industries, Inc. Motion for Leave to File Late Claims

PROPOSED Twenty-Seventh Claims Hearing

Transcribed By: Esther Accardi

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P R O C E E D I N G S

THE COURT: Please be seated. Okay. Good afternoon. Delphi Corporation.

MR. LYONS: Good morning, Your Honor. John Lyons on behalf of the debtors.

Your Honor, there's only one matter on the agenda. There had been a second matter, that of Pioneer Speakers. That matter has been adjourned. The parties have reached an agreement in principle and are currently just documenting the settlement.

THE COURT: Okay.

MR. LYONS: So, Your Honor, the motion is the motion of Bradford Industries. So I will yield the podium to counsel for Bradford Industries.

THE COURT: Okay.

MR. DREMLUK: Good afternoon, Your Honor.

THE COURT: Good afternoon.

MR. DREMLUK: Robert Dremluk, Seyfarth Shaw, on behalf of Bradford Industries.

Your Honor, it's my understanding that counsel for Delphi provided the Court with a binder.

THE COURT: Is this an agreed exhibit book?

MR. DREMLUK: Yes, it is.

THE COURT: Okay. Yes, I have that in front of me.

MR. DREMLUK: And I'd like to direct your attention,

if I may, to Exhibit 16 which consists of two double-sided pages. And what I'd like to do is direct your specific attention to the last page of that document.

Your Honor, this is a document that was produced by Delphi with respect to the Bradford account. This particular document has a dating at the bottom of February 19, 2007. So that gives us at least a time frame as to when this document may have been produced.

I'd also like to, if I may, Your Honor, hand up and provide Delphi counsel with a chart that I have prepared which will be helpful in understanding chronology of what had transpired here. And which will relate those events to the various exhibits that have been put in the binder. If I may?

THE COURT: Okay.

MR. DREMLUK: Your Honor, this is a motion to file a late claim on behalf of Bradford Industries. However, what's significant here is that based on Delphi's own records, they don't dispute our claim at all. In fact, a meeting of the minds was reached as to the amount of the claim sometime, based on our records, in January of 2007.

So I want to walk the Court through, if I may, the chronological events and what was going on between Delphi and Bradford during this period, following the filing of the Delphi bankruptcy cases.

In June of 2006, there are some communications, both

in e-mail and fax, with respect to providing Delphi with various information regarding goods that had been sold. The information was in the nature of bills of lading, packing lists and proofs of delivery, which is typical in terms of establishing these kinds of claims. So as we see it in the chart, there are some e-mails and then two faxes that occurred in June of 2006.

In late June 2006, there's a communication from Delphi that the person who is handling this claim on behalf of Delphi is going to be changing her position at Delphi, and there may be some other people that will be involved in handling the Bradford matter. Within about two weeks after that, there's an e-mail to Delphi again seeking to resolve open issues and reiterating that there were proofs of delivery that had been previously faxed to Delphi evidencing the claim.

At all times while this is going on, Bradford is resolving this matter without counsel. It is Bradford, based on its business relationship with Delphi, in the ordinary course of its relationship with Delphi, seeking to resolve this matter.

THE COURT: How do I know that?

MR. DREMLUK: Because the communications that you have indicate that there are -- there are no lawyers involved. The communications that are going on are between the two businesspeople.

THE COURT: But I don't know whether the businesspeople were talking to a lawyer.

MR. DREMLUK: Well, we were retained as counsel until after the bar date, Your Honor, so were not involved.

THE COURT: I'm assuming Bradford has an in-house lawyer, though, right?

MR. DREMLUK: I don't think that they do. In any event, what was going on here, Judge --

THE COURT: I don't see how I can infer anything on that point. I read the e-mails.

MR. DREMLUK: Okay.

THE COURT: The e-mails seem to be between businesspeople, I agree with that.

MR. DREMLUK: It's our position, Your Honor, that this was a matter that was being negotiated at the business level, between businesspeople. And it was based on a continuing business relationship that exists today. So it's not as though this was a situation where the parties had stopped doing business with each other and didn't need to communicate. This was a good faith attempt to resolve an open issue concerning claims.

On July 31 the bar date occurs. In December of that year, the communication picks up again. There's a communication from Delphi about some pre-petition receipts and so forth. In January, there's an e-mail from Delphi about some

postings to the Bradford account. And on or around January 15, there is a spreadsheet that is sent that establishes what the pre-petition balance is. And that spreadsheet is this document prepared by Delphi indicating not only the amount that's owed, but in the category under status there is a notation, and it says repeatedly "ready to pay".

THE COURT: Well, are these pre-petition debts?

MR. DREMLUK: Yes.

THE COURT: So it's obviously not ready to pay.

MR. DREMLUK: Well, the indication, Your Honor, is that Delphi is -- has acknowledged its obligation to pay. And at least I would interpret the terminology "ready to pay" to mean that.

THE COURT: There's something I'm not quite clear about in the facts here. One aspect of this motion is -- let's see how it's phrased. "Bradford Industries also requests that this Court find that its notice of cure amount is conforming." So was this debt debt that was incurred under an executory contract?

MR. DREMLUK: Yes.

THE COURT: And has the executory contract been assumed?

MR. DREMLUK: Yes.

THE COURT: Okay. I mean, do the debtors agree with that?

MR. LYONS: Your Honor, I don't know if this exeuctory contract was assumed. If this was to be assumed under the plan then, obviously, we have not consummated and gone effective on the plan, so no contracts under the plan have been assumed.

THE COURT: Okay.

MR. DREMLUK: Then it's intended to be assumed, Your Honor. The process of establishing the cure amount was a predicate in order to get to that point.

THE COURT: Well, let me cut through all of this.

MR. DREMLUK: Okay.

THE COURT: I don't see a basis, given that fact that it was an executory contract, for relief from the bar date if it's not assumed. I just don't see the fact that the parties were negotiating over the amount owing before the date of the bar date and continued to work on the amount owing after the date of the bar date as being a good fact for your client. In fact, under the Second Circuit's Midlantic decision, it's a very bad fact because that suggests -- since that's the only reason I think it's offered that it's not even neglect, it's a choice not to file a claim because the parties are negotiating.

On the other hand, if the contract is going to be assumed, the parties -- you know, if it's an executory contract, there's a perfectly good explanation as to why the parties would still be focusing on the outstanding amount. And

you may well have a very good basis for moving under Rule 60 from relief from the order on your cure being defective. But your client hasn't done that yet. This isn't a Rule 60 motion. But it just seems to me that because it's an executory contract I don't see why, if it's going to be assumed, it still wouldn't be cured. Parties still wouldn't be talking about what the cure amount would be post bar date. And it does appear to me that the order striking the -- I'm sorry, granting the company's cure amount was entered, but there may be a basis under Rule 60 in connection with getting relief from that order. I don't know. But that's how I'm looking at this.

MR. DREMLUK: I don't disagree with some of the things you said, Your Honor. But I'd like to make just a few more points, if I may.

THE COURT: Okay.

MR. DREMLUK: What happened here is that in or about January 2007, the parties finally resolved whatever issues they had concerning their pre-petition obligations. Proof of claim was filed --

THE COURT: But let me just stop you on that. I don't see how I can infer from this attachment to the proof of claim that the parties resolved whatever issues they had about the pre-petition claim. They may have resolved what it would take to cure the claim in connection with an assumption motion, but the fact that they agreed about the amount doesn't

necessarily mean it would be an allowed pre-petition claim months after the bar date had passed. But I don't indicate any sort of waiver of the bar date in connection with this, for example.

MR. DREMLUK: I think what it does show, Your Honor, is that in January of 2007, there was an agreement reached as to certain obligations that were owed. A proof of claim was filed by Bradford which is consistent with this understanding; it was filed in March of 2007.

What happened after that is a little bit confusing because in light of this information, a cure notice was sent out listing the Bradford amount as zero. And it strikes me as a little bit unusual that given that Delphi had produced a document indicating that it owed Bradford $60,000 that it would list Bradford as having a cure amount of zero.

I think what the Court is saying, though, is that based on those facts, maybe the procedure that we should be following is a motion under Rule 60.

THE COURT: I mean, another way to put it is I don't see a basis for getting relief from the bar date in connection with an unsecured pre-petition claim. But you may have a right under Rule 60 in connection with the cure issues. I don't know. I mean, it's not before me. But it just seems to me that there's two different things going on here. And that sort of permeates why I don't think that you can say there's an

account stated or that there's -- you know, that Delphi's somehow estopped generally because of this. Because there are two very different calculations for a debtor, one is where you reject a contract or let it expire and the other is where you assume one. And it may be that they were doing this work. I mean, I just have to infer that they were doing this work because they were still considering that the contract might be assumed. But as far as what's offered up as a basis for relief from the bar date order, I'm not -- I mean, under the Second Circuit law, I don't think it even constitutes neglect before you get to the excuse. Because I don't see -- it doesn't seem to me to be inadvertent. It just seems to be a conscious decision that we were in these negotiations and we decided not to file the claim.

MR. DREMLUK: Can I talk about Pioneer for a moment?

THE COURT: Okay. But I'm guided by the Second Circuit's Enron case.

MR. DREMLUK: Okay.

THE COURT: And it seems to me to be on all fours here on the pre-petition claim part of it.

MR. DREMLUK: Well, there are four or more points in Pioneer that I think the Court spoke to about late claims. But I think a few of them do apply here. And one is whether there's any damage or prejudice to the debtor. And I would argue that there isn't because the debtors acknowledge this

indebtedness already. So that it's not prejudicing the estate to acknowledge that it owes the money already.

The length of delay or potential impact on judicial proceedings. This case has been going on for a while. It probably will go on for an additional period of time. So I don't think that this particular situation is going to have a prejudicial impact.

The reason for delay. It probably has to do with a supplier's good faith belief that he could work out his arrangements with Delphi without having to get into legal issues. If that's a bad thing, then that's it. I mean, he may have prejudiced himself by trying to negotiate something in good faith. If that's the message, then I guess we'll have to live with that.

And whether the movant acted in good faith, I can't think of a better example of a creditor who seeks to negotiate to work out a consensual agreement with the company without getting involved in legal issues or bringing in lawyers to resolve it. And my view, for what its worth, is that this is the kind of thing that we should be encouraging and not discouraging parties to do.

Now, having said that, there are some equitable considerations here I think that may apply. But I think that the overriding equity here is that this particular claimant, who has an ongoing relationship with this debtor, has acted

according to what it felt was its business interest in an appropriate manner. And at the end of the day, did resolve its claim with Delphi.

THE COURT: When does the contract expire?

MR. DREMLUK: I don't have that detail, Your Honor.

MR. LYONS: Here, Your Honor, let me check.

MR. DREMLUK: It's not in the exhibit binder.

(Pause)

THE COURT: Do we even know whether it's like a long-term contract or a short-term contact?

MR. LYONS: Your Honor, I think the only paper that would help us would possibly be the exhibit attached to the proof of claim form. Which may have -- no, it does not have the term on here.

THE COURT: Okay.

MR. DREMLUK: It's just when the debt was incurred. I don't want to speculate, Your Honor, but what I understand, however, is that there is an ongoing relationship and that Bradford has been asked to continue to produce and supply goods to Delphi.

THE COURT: Okay.

MR. DREMLUK: Thank you.

MR. LYONS: Your Honor, I'll be very brief. I mean, the factors all in Pioneer, Your Honor, I just do not believe that Bradford Industries has met those factors. Primarily, the

most important factor, reasonable control of the claimant. The record is uncontroverted, they have the notice of the bar date. The bar date was clear and unequivocal. And, Your Honor, if they did not file a proof of claim by the bar date, and we've seen a number of claimants who have filed motions for leave to file late claims, you know, again, the notice was very clear. It's critical for this debtor -- even now, I know we're now in the second phase of a modification to a plan, Your Honor, but it is no less important today to make sure that the bar date is enforced and is going to limit the general unsecured claims in order for Delphi to enhance its chances at a successful reorganization.

So for the main factors in Pioneer, including the reason for delay and also the prejudice, Your Honor, I think those factors clearly weigh in favor of denial of this motion.

As to the cure issue Your Honor identified, the motion to strike the cure notice was granted. That motion was served on both counsel and also Bradford Industries directly, the same address in the proof of claim form. So in the event that our 60(b) motion is filed, we will certainly reserve all of our rights to contest that motion on the basis that the order should be given res judicata effect.

THE COURT: Right. And I'm not suggesting otherwise, I'm just suggesting that -- what I was doing was I was pointing out the two different issues that the debtor faces with a claim

like this. There's the issue in connection with a contract that expires or -- in light of the particular order that's rejected on the one hand and on the other the issue of an executory contract that's assumed where you have to cure defaults. As I view it, there are really two different considerations there. But, obviously, there was an order entered granting Delphi's motion fixing the cure claim. And that's obviously wearing the 365 hat, instead of the 502 hat.

MR. LYONS: Your Honor, I have nothing further on this particular matter, although I would like to hand up some of our updated charts on the claims.

THE COURT: Okay. Why don't I deal with this matter first. Is there anything else?

MR. DREMLUK: Not at this time, Your Honor.

THE COURT: Okay.

MR. DREMLUK: There were some things that were just discussed that I think would be more appropriately addressed in a Rule 60(b) motion which I'll deal with in that context.

THE COURT: All right. I have before me a motion by Bradford Industries, Inc. under Bankruptcy Rule 9006(b)(1) for an order deeming its proof of claim against Delphi Corporation, claim number 16564, timely filed on the basis as set forth in that rule of excusable neglect.

Alternatively, Bradford requests the Court to find that its notice of cure amount, which it attaches as Exhibit A

to the motion, be deemed conforming.

Requested relief really does, I believe, conceptually fall into two different -- or very different, actually, categories, highlighted by the different rights of a debtor-in-possession with regard to executory contracts. The record is not particularly clear whether the contract that gave rise to the claim asserted by Bradford is still executory or, to the contrary, has expired by its terms or if it is still executory; whether it is still a contract that Delphi intends to assume.

Under Section 365 of the Bankruptcy Code, a debtor-in-possession has the option to assume or to reject executory contracts. And the treatment of the claim -- of the nondebtor party to the executory contract differs strikingly depending on whether the contract's assumed or rejected. If the contract is rejected under 502(g) the breach claim, as well as the pre-petition accrued claim, is a pre-petition claim. If the contract is assumed, it will only be assumed if the debtor cures or provides adequate assurance or prompt cure of any pre-petition defaults or the nondebtor party agrees to a different treatment.

In the one case, the pre-petition claim gets paid with tiny bankruptcy dollars. In the other case, the pre-petition claim becomes, in effect, a hundred cent claim, if the contract's actually assumed.

The bar date order, which his attached as Exhibit 8

in the agreed exhibit binder, does not exempt parties to executory contracts from their requirement of filing a proof of claim in a timely manner. And provides that if such a proof of claim is not filed in a timely manner then under paragraph 11, such person or entity shall be forever barred from asserting any claim against the debtors other than in the amount that the debtors have set forth on their schedules. That is, their official bankruptcy schedules as undisputed, noncontingent and unliquidated. And also barred from voting upon or receiving distribution under a plan or plan of reorganization.

The bar date order also provides, in paragraph 8, "notwithstanding anything in this order to the contrary, the holder of any claim arising from the rejection of an executory contract, pursuant to Section 365, shall be required to file proof of claim on account of such claim against the debtors on or before the later of the general bar date or thirty calendar days after the effective date of such rejection."

Again, as far as I know, this contract has not been rejected. It may, in fact, have expired by its terms. So in the construct of the bar date order and the record before me, it appears that the claim, which was filed several months after the bar date, would be untimely.

The Supreme Court in the case of Pioneer Investment Services Company v. Brunswick Associates Limited Partnership, 507 U.S. 380 (1993) recognized that the phrase "excusable

neglect" in Bankruptcy Rule 9006(b) permits, under certain circumstances, the late filing of proofs of claim even where a claimant was negligent as opposed to having been misled or not having received notice and the like. In those circumstances, the Supreme Court set forth a four-factor inquiry to consider. However, from the plain language of the rule, as well as its construction by subsequent courts, excusable neglect is really a two-part test.

First, a movant must show that its failure to file a timely claim constitutes or constituted neglect as opposed to willfulness or a knowing omission. Neglect generally being attributed to a movant's inadvertent mistake or carelessness, Id. at 387-88. Only after establishing neglect under that definition may the movant then show, by a preponderance of the evidence, that the neglect was excusable. And that is where the four-factor inquiry set forth by the Supreme Court comes into play.

Here, although there could be read into the motion itself a suggestion that the movant is claiming that it was affirmatively misread by Delphi, based on my review of the e-mail exhibits and the absence of anything else on the record to the contrary, it appears clear to me that Delphi did not mislead Bradford into thinking that it would be exempt from the requirement of the bar date order to file a timely proof of claim. It also appears uncontroverted that Bradford was timely

served with the notice of the bar date, informing it of the consequences of not filing a timely proof of claim. And even if it were controverted it's not successfully controverted given the presumption of notice that arises from the certificate of notice provided by Delphi. See In re R.H. Macy and Co., Inc., 161 B.R. 355, 360 (Bankr. S.D.N.Y. 1993), and In re Dana Corporation, 2007 Bankr. LEXIS 1934 at page 13-15 (Bankr. S.D.N.Y. May 3, 2007).

Instead, it's suggested by Bradford that it was in negotiations with Delphi, first exchanging information and then trying to work out the amount of its claim, and it was for that reason, that it did not file a claim, i.e., it felt that it would be able to resolve the matter without the necessity of preparing a proof of claim and potentially incurring the costs of hiring a lawyer to do so.

Unfortunately for Bradford, even though it may have formed that belief in good faith, it was still a conscious decision in derogation of the bar date order. Under those circumstances, I believe the Second Circuit has spoken very clearly that the failure to file a timely proof of claim is simply not neglect as contemplated by Bankruptcy Rule 9006. Rather, it was a voluntary omission within the claimant's sole control. See Midland Cogeneration Venture Limited Partnership v. Enron Corp., In re Enron Corp., 419 F.3d 115 at 120 and 127 (2d Cir. 2005). In that case, as here, the claimant said that

it, and in that case its counsel, were so heavily focused upon and involved in negotiations with the debtor that it neglected to include the proof of claim at issue in the proof of claim that they filed. They argued that because of those negotiations the claim was clearly no surprise to Enron. But, again, as the Second Circuit held, that was a conscious voluntary omission and, therefore, would not constitute neglect.

Moreover, to the extent that one would find neglect here as opposed to a conscious decision to assume that the negotiations would play out successfully, the Second Circuit in Midland Cogeneration reiterated its case law in which it acknowledged, quote, "that we have taken a hard line in applying the Pioneer tests. The four Pioneer factors do not carry equal weight. The excuse given for the late filing must have the greatest import." This is because, as the Second Circuit noted, in a typical case three of the Pioneer factors, the length of delay, the danger of prejudice and the movant's good faith usually weigh in favor of the party seeking the extension. Nevertheless, the Second Circuit has emphasized, as I noted, that the reason for the late filing has the greatest import. And that generally speaking the claimant will lose a Pioneer motion if the reason for the delay was in the movant's reasonable control.

As in Midland Cogeneration, that is the case here.

And, therefore, as in Midland and Silivanch v. Celebrity Cruises, discussed by Midland, in the ordinary course, the party exclaiming excusable neglect will lose.

The other Pioneer factors here, although they are less significant than the reason for delay under the Second Circuit case law, are still to be analyzed, of course. I don't find here any bad faith on Bradford's part. I do believe, however, that the length of the delay was significant, a several month delay. And while there are a few courts who have condoned such a delay, most would not.

Finally, on the issue of prejudice, the argument by Bradford is that since Delphi appears to have been prepared to acknowledge roughly $60,000 being owing to Bradford sometime after the passing of the bar date, it would not be prejudiced if that amount were, in fact, permitted to be filed as if the bar date had not come and gone.

It's also that in the grand scheme of things in this case where the allowed unsecured claims run into the billions of dollars, a $60,000 claim could not have a significant prejudice on the debtor. As to the first point, as I noted earlier, the acknowledgement by Delphi, in my mind, was at least as likely in the context of analyzing the potential cure amount in respect of a potentially assumable executory contract. And, therefore, one could not infer from the exhibit attached to the proof of claim that Delphi had determined that

there should be a claim against it for $60,000 in the event that the contract expired by its own terms or was to be rejected.

As to the other point, it is true that $60,000 in the grand scheme of things is dwarfed by the other allowed and asserted timely filed claims against Delphi, however Delphi has had its plan confirmed, it has rigorously contested claims, including opposing a number of motions under Rule 9006, on the basis that its plan hinged upon and was negotiated by the parties in light of a condition to confirmation that allowed unsecured claims be no greater than a certain cap. And I have been conscious throughout this case that if I were to loosen the constraints imposed by Midlantic and the other Second Circuit cases under Rule 9006, that the potential for other parties either to come back who've already been ruled against or to make motions in the future under Rule 9006 could greatly increase the amount of claims that Delphi would have to deal with.

So it would appear to me that even if one were to find this late filing to be attributable to neglect, which I don't find, it would appear to me that the Pioneer test, as construed in 2005 by the Second Circuit, would lead me to deny the motion.

That leaves the second part of the motion. I don't believe that given the different issues involved I could simply

deem Bradford's cure notice as satisfying the bar date. However, Bradford would have the ability, under Rule 60, to seek relief from my earlier order setting the cure amount in respect of its executory contract cure claim. Which, of course, I haven't decided either way because it's not before me. I don't know whether that motion, at this point, would be moot, because I don't know whether the contract is expired or whether Delphi intends to assume it under its plan as modified. But it appears to me that the issues in connection with cure and assumption are very different than the issues that would pertain to a claim under a contract that has expired.

And, finally, again, it also appears to me, under the provisions of the bar date order, that the timeliness of the claim also might be quite different if, in fact, the contract has not expired by its terms and would be rejected instead by Delphi under Section 365. So let me be clear. Unless there's any further motion under Rule 60 in respect to the cure claim for which my ruling's without prejudice, I would deny this motion before me today.

On the other hand, if Delphi subsequently moves to reject the contract, it's not clear to me whether my ruling would apply to the claim in its timeliness under those circumstances. So the debtor should submit an order consistent with my ruling.

You don't have to settle it, but you should give a

copy to counsel for Bradford before you submit it to court.

MR. LYONS: I'd propose it be a very brief order just for the reasons --

THE COURT: For the reasons stated on the record.

MR. LYONS: -- stated on the record.

THE COURT: Okay.

MR. LYONS: Your Honor, I'd like to hand up kind of a chart showing the current progress on the claim.

THE COURT: Okay. Well, I gave you all a compliment yesterday, I don't know if it was reported back to you.

MR. LYONS: Well, thank you, Your Honor, I --

THE COURT: Mr. Butler was talking about the things that had been accomplished in the case and spent some time on the claims process. And I noted that you all had made really pretty amazing progress on dealing with roughly 13,000 objected to claims.

MR. LYONS: Thank you, Your Honor. And I'm sure my client, Mr. Unruh, shares that gratitude as well.

MR. LYONS: Well, Your Honor, I won't go into a lot of detail. But you can see we have filed thirty-one omnibus claims objections, we've had twenty-five claims hearings resulting in objection to over 13,000 claims, asserting the total of ten billion dollars. The objection chart reflects that approximately 9,800 claims have been ordered expunged or have been withdrawn. With asserted amounts of approximately

9.7 billion dollars.

Your Honor, we still have 394 claims that have been adjourned into the procedures. And, actually, one of the issues we're having, Your Honor, is we have a number of claims, around 120,150 claims, where we've actually agreed on the amounts. But for whatever reason, I don't know if the claimants lost interest or what have you, but we're having a difficult time getting these to final stipulations and such.

And, Your Honor, we want to work within the constraints of the claims procedures; these are already subject to an omnibus objection. One possible efficient way of dealing with these is objecting again but requested they be allowed in the agreed amount. And then if the other parties have a problem with that, they can come forward. But I think that might be an efficient way to get these claims to finally being allowed, and we could take them off our pile of claims we need to deal with.

THE COURT: Okay. That's probably fair. A fair way to deal with it. I mean, I guess you could amend the schedules too, but that would still raise the opportunity -- I think what you've proposed would work.

MR. LYONS: Then they would give an allowed claim at the end of the day, which I think --

THE COURT: Right. You'd give specific particularized notice to the claimant?

MR. LYONS: Yes.

THE COURT: Okay.

MR. LYONS: Your Honor, one second.

(Pause)

MR. LYONS: Okay, Your Honor, we have nothing further. Thank you for your time.

THE COURT: I mean, obviously, you probably ought to check the 3001 docket, make sure you've given notice to the right person.

MR. LYONS: Yes.

THE COURT: But I think that works. So if you did that you'd be down to about 270, I guess.

MR. LYONS: Maybe even less, Your Honor, because we're still working a number through a separate process. As will be, there will probably be claims that will be left. But hopefully we want to keep that to the lowest possible number.

THE COURT: Okay.

MR. LYONS: Thank you, Your Honor.

(Proceedings concluded at 2:51 p.m.)

I N D E X

RULINGS

C E R T I F I C A T I O N

I, Esther Accardi, certify that the foregoing transcript is a true and accurate record of the proceedings.

Esther Accardi

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